

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

TRAVELERS CASUALTY AND SURETY
COMPANY OF AMERICA,

Plaintiff,

v.

DILIP PATEL & COMPANY, LLP, DILIP
PATEL, SAMIR PATEL, JAYESH PATEL,
ANNOJ PATEL, RACHIT DRUGS, INC., THE
BOTTLE DEPOT, LLC, BLOOMFIELD
QUALITY AUTO, SHYAM, INC., QAC
SYSTEM, INC., QUALITY MUFFLERPLUS,
INC., QAC AUTO, INC., QUALITY AUTO
CENTER, UNION BRAKES PLUS, ASHFORD
HOSPITALITY, LLC, BERKSHIRE
HOSPITALITY, LLC, BRISTOL HOSPITALITY,
LLC, CAMBRIDGE HOSPITALITY, LLC,
CHASE HOSPITALITY, LLC, CHASE HOTEL
GROUP, LLC, DORSET HOSPITALITY, LLC,
HAMPSHIRE HOSPITALITY, LLC, L.M.
NATCO, INC., MIA EAST LLC OF NEW
JERSEY, NATCO CONSTRUCTION, LLC,
NEWPORT HOSPITALITY, LLC, NORTHWOOD
HOSPITALITY, LLC, OAKFIELD
HOSPITALITY, LLC, OXFORD HOSPITALITY,
LLC, WILSHIRE HOSPITALITY, LLC,
WINDSOR HOSPITALITY, LLC, YORKSHIRE
HOSPITALITY, LLC, and JOHN DOES 1-10.,

Defendants.

Civ. Action No: 2:19-cv-19777-MCA-LDW

CIVIL ACTION

CONSENT JUDGMENT

Document Filed Electronically

THIS MATTER, having been opened to the Court jointly by Coughlin Duffy, LLP, attorneys for Plaintiff, Travelers Casualty and Surety Company of America (“Travelers”), and Sills Cummis & Gross, P.C., attorneys for Defendants, Dilip Patel & Company, LLP (the “Firm”), Dilip

Patel (“Dilip”) and Jayesh Patel (“Jayesh”), and Edward David & Associates, LLC, attorneys for Defendant, Samir Patel (“Samir”), and these parties having agreed to consent to the entry of this judgment; and

WHEREAS, Travelers issued the Policy, which is a claims-made Travelers 1st Choice+ Accountants Professional Liability Policy, No. 107057755, to the Firm for the policy period March 25, 2019 to March 25, 2020 (the “Travelers Policy”); and

WHEREAS, Travelers filed this action against, among others, the Firm, Dilip, Samir and Jayesh, seeking a declaration: (1) declaring the Travelers Policy void *ab initio*; (2) rescinding the Travelers Policy; and (3) declaring that Travelers has no duty to defend or indemnify the Firm or any other insured against any claim, including any claim(s) of the certain interested parties/clients of the Firm; and

WHEREAS, the Firm, Dilip, Jayesh and Samir have asserted a counterclaim for declaratory judgment seeking a declaration that: (1) the Travelers Policy is in full force and effect; (2) the claims by the Chase Hotel Group and the professional liability claims of other interested parties/clients of the Firm are covered by the Travelers Policy; (3) Travelers should pay expenses in defending the Firm, Dilip, Jayesh and Samir against the claims made by the Chase Hotel Group and the professional liability claims of other interested parties/clients; and (4) legal fees incurred in defending this action and asserting their counterclaims (the “Counterclaim”); and

WHEREAS, Travelers, the Firm, Dilip, Jayesh and Samir (collectively the “Parties”) desire to resolve and terminate all of the specific claims, causes of action, demands or rights they have or may have against each other arising out of the Travelers Policy; and

WHEREAS, the Parties agree to this Consent Judgment that Judgment be and same is hereby entered declaring that:

- (1) The Travelers Policy is void *ab initio*;
- (2) The Travelers Policy is rescinded;
- (3) The full premium paid by the Firm for the Travelers Policy has been refunded by Travelers and is to be accepted by the Firm via the Firm's depositing of Travelers' Check No. 0017485348; and,
- (4) Travelers has no duty to defend or indemnify the Firm or any other insured against any claim for which coverage was sought in the Counterclaim;

WHEREAS, the parties have agreed to the form and entry of this Consent Judgment as specified herein; and

The undersigned hereby consent to the entry of the within Stipulation of Settlement/Judgment.

/s/ Adam M. Smith

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Travelers Casualty and Surety Company of America
Dated: February 8, 2021

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Dated: February 8, 2021

/s/ Edward David
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Dated: February 8, 2021

IT IS SO ORDERED:

Date: March 2, 2021



Hon. Madeline Cox Arleo
United States District Judge